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Entered on Docket

July 15, 2020

EDWARD J. EMMONS, CLERK
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA



Signed and Filed: July 15, 2020

DENNIS MONTALI
U.S. Bankruptcy Judge

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

PG&E CORPORATION,

- and -

PACIFIC GAS AND ELECTRIC COMPANY,

Debtors.

Affects PG&E Corporation
 Affects Pacific Gas and Electric Company
 Affects both Debtors

** All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Case No. 19-30088 (DM)
Chapter 11
(Lead Case)
(Jointly Administered)

**ORDER APPROVING
STIPULATION BETWEEN PACIFIC
GAS AND ELECTRIC COMPANY
AND THE CITIES OF ARCATA,
BLUE LAKE, CHICO, CUPERTINO,
DINUBA, MONTEREY, ORANGE
COVE, OROVILLE, PACIFIC
GROVE, SACRAMENTO, SALINAS,
SAN LEANDRO, SANGER, SANTA
CRUZ, SUNNYVALE, VALLEJO,
WOODLAKE, AND THE COUNTY
OF SACRAMENTO FOR LIMITED
RELIEF FROM AUTOMATIC STAY**

1 The Court having considered the *Stipulation Between Pacific Gas and Electric Company*
2 *and the Cities of Arcata, Blue Lake, Chico, Cupertino, Dinuba, Monterey, Orange Cove, Oroville,*
3 *Pacific Grove, Sacramento, Salinas, San Leandro, Sanger, Santa Cruz, Sunnyvale, Vallejo,*
4 *Woodlake, and the County of Sacramento for Limited Relief from Automatic Stay* (the
5 “**Stipulation**”),¹ entered into by Pacific Gas and Electric Company (the “**Utility**”), as a
6 reorganized debtor in the above captioned chapter 11 cases (the “**Chapter 11 Cases**”), on the one
7 hand, and the Cities of Arcata, Blue Lake, Chico, Cupertino, Dinuba, Monterey, Orange Cove,
8 Oroville, Pacific Grove, Sacramento, Salinas, San Leandro, Sanger, Santa Cruz, Sunnyvale,
9 Vallejo, Woodlake, and the County of Sacramento (the “**Municipalities**”), on the other hand, filed
10 on July 15, 2020 [Dkt. No. 8400]; and pursuant to such Stipulation and agreement of the Parties,
11 and good cause appearing,

12 IT IS HEREBY ORDERED THAT:

- 13 1. The Stipulation is approved.
- 14 2. The Stipulation is effective as of the date of entry of this Order,
15 notwithstanding any effect of Bankruptcy Rule 4001(a)(3) to the contrary.
- 16 3. The automatic stay or Plan injunction, as applicable, is modified solely to
17 permit the Municipalities to commence an action (the “**State Court Action**”) against the Utility in
18 the Superior Court for the State of California, County of San Francisco, through which the
19 Municipalities may prosecute, through final judgment and any appeals thereof, solely those
20 Electricity Tax Claims that have arisen and relate exclusively to the period following the Petition
21 Date, but not to permit enforcement of any judgment for monetary recovery, which, if granted, the
22 Municipalities shall recover only in accordance with the Plan. Declaratory relief as to any Electricity
23 Tax Obligations of the Utility that have arisen and relate exclusively to the period following the
24 Petition Date, and that is prospective in nature, shall be enforceable in accordance with California
25 law. For the avoidance of doubt, (a) neither the automatic stay nor the Plan injunction, as applicable,

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27 ¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to
28 them in the Stipulation.

1 is modified to permit the Municipalities to prosecute any Electricity Tax Claims that arose or relate to
2 the period prior to the Petition Date, and (b) nothing in this Order shall affect any rights of any of the
3 Municipalities under proofs of claim they have filed in the Chapter 11 Cases or the rights of the
4 Debtors to oppose or object to such proofs of claim.

5 4. Nothing herein shall be construed to be a waiver by the Utility or the
6 Municipalities of any claims, defenses, or arguments with respect to the Electricity Tax Claims or the
7 State Court Action, including but not limited to any claims, defenses, or arguments that the Utility
8 may have that: (i) any or all of the Electricity Tax Claims are preempted or should be adjudicated
9 before the California Public Utilities Commission, or (ii) the failure by a Municipality to file a proof
10 of claim on account of an Electricity Tax Claim precludes the Municipality, whether pursuant to the
11 Plan, the Confirmation Order, the Bar Date Order, or otherwise, from recovering from the Utility any
12 amounts on account of, or otherwise seeking relief with respect to, any Electricity Tax Claims that
13 arose prior to the Petition Date.

14 5. The Motion is hereby deemed withdrawn with prejudice, and the Hearing is
15 vacated.

16 6. The Stipulation shall constitute the entire agreement and understanding of the
17 Parties relating to the subject matter thereof and supersede all prior agreements and understandings
18 relating to the subject matter thereof.

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1 7. The Court shall retain jurisdiction to resolve any disputes or controversies
2 arising from the Stipulation or this Order.

3 APPROVED:

4 Dated: July 13, 2020

5 COLANTUONO, HIGHSMITH & WHATLEY, PC

6

7 /s/ John L. Jones II

8 John L. Jones II

9 *Attorneys for Cities of Arcata, Blue Lake, Chico,*
10 *Cupertino, Dinuba, Monterey, Orange Cove,*
11 *Oroville, Pacific Grove, Sacramento, Salinas,*
12 *San Leandro, Sanger, Santa Cruz, Sunnyvale,*
13 *Vallejo, Woodlake, and the County of*
14 *Sacramento*

15 12 *** END OF ORDER ***

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